

**GROVE CITY COUNCIL
SPECIAL MEETING
TUESDAY, JUNE 27, 2017
6:00 PM
MINUTES**

The Grove City Council met in special session on Tuesday, June 27, 2017 at 6:00 PM with Mayor Ed Trumbull presiding. Members present were Josh McElhaney, Don Nielsen, Marty Dyer and Ivan Devitt. Also present was City Manager, Bill Keefer; Attorney, Darren Cook; City Treasurer, Lisa Allred and City Clerk, Bonnie Buzzard. Assistant City Manager, Debbie Bottoroff and Public Works Director, Jack Bower was absent.

Devitt made the motion to approve a Resolution amending the 2016-2017 Fiscal Year Budget. Seconded by Dyer. AYE: McElhaney, Nielsen, Dyer, Devitt and Trumbull. NAY: None. Motion carried.

Trumbull opened the floor for discussion with respect to a proposed Civic Center. Keefer reported that a key provision of the Letter of Intent to the purchase agreement of the proposed property was to conduct a due diligence to determine the feasibility of wither purchasing or selling the facility. For the City of Grove it meant exploring the options and cost for a new Civic Center to replace the existing facility. Keefer noted that over the past few months, the Grow with Grove Facilities Committee has been working with Staff to research and develop information for a new Civic Center facility. This included developing criteria on what we would like to have in a facility as it pertains to exhibition and meeting space, building material, etc. Research was done on other facilities to determine square footage needs, uses of their facility, fee structures, maintenance costs, staffing, etc. After members of the committee toured a facility in Ardmore, it was used as the base model for a preliminary design of the facility for Grove. In addition the City entered into an agreement with Gary Sparks of Sparks Reed Architecture & Design to provide a preliminary cost estimates, site plans, building renditions and a virtual building tour. Keefer added that the cost estimates have been completed which will be used as a starting point of discussion as well as numbers on which to base funding options and debt payments. Keefer reported that the preliminary cost estimates were passed along to the City's Finance Advisor, Rick Smith to review and formulate funding options as the cost for constructing this facility will have to be financed over a period of time. Keefer turned the floor over to Gary Sparks who reported that the estimate was based upon the following conditions:

- a 66,000 square foot building (44,000 square foot building of exhibition space includes 7,200 square foot that can be used as a conference space; 5,000 square feet of standalone conference space; 3,000 square feet of office area/office support; 3,000 square feet of kitchen/concessions; 3,200 square feet of restrooms; and 7,800 square feet of hallways, common areas and facility support).
- lodge look design framed with stone, wood and stucco exterior.
- polished concrete floors with the conference and common carpeted.
- Total cost: \$16,017,000.00 (which does not include the land acquisition expenses, architectural design fees and funds for tables, chairs, office furniture and equipment).

Sparks then introduced General Contractor, Gregg Bradshaw who both entertained questions, comments and concerns from the Council, Staff and from the following participating audience:

- Bill and Peggy Miller
- Judith Read
- Dr. Larry Stout
- Kristi Wright
- Chuck Perry, and
- Marty Follis

Finance Advisor, Rick Smith then addressed the Council to outline the four options on financing this project:

- General Obligation Bonds in the amount of \$15,000,000 for 25 years
- General Obligation Bonds in the amount of \$8,000,000 for 25 years + Rural Development Community Facility loan in the amount of \$7,000,000 for 40 years
- Rural Development Community Facility loan in the amount of \$15,000,000 for 40 years; or
- Revenue Bonds in the amount of \$15,000,000 for 20 years

After much discussion from Smith with the Council and Staff on the above mentioned options, he then introduced the option of additional City Sales Tax revenue from the current tax rate of 9.30% to 9.55%, which would require a vote of the people, and would make Grove comparable to the surrounding cities and towns. Smith noted that the currently 4/10th sales tax obligation revenue will sunset in approximately 3-4 years, and would also have to go back before the people to remain on the sales tax percentage. Smith then entertained questions, comments and concerns from the Council, Staff and participating audience. After a lengthy discussion, Devitt made the motion to authorize Keefer and Staff to continue working with the Architectural Design Group, Finance Advisor, and the Grow for Grove committee on the cost estimates

pertaining to this project for a report back to the Council. Seconded by McElhaney. AYE: McElhaney, Nielsen, Dyer, Devitt and Trumbull. NAY: None. Motion carried.

At 7:55 PM Devitt made the motion to adjourn. Seconded by Nielsen. AYE: McElhaney, Nielsen, Dyer, Devitt and Trumbull. NAY: None. Motion carried.